

Message Text

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ACTION EUR-12

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FM AMEMBASSY MADRID
TO SECSTATE WASHDC 939
INFO AMEMBASSY BONN
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AMEMBASSY LISBON
AMEMBASSY LONDON
AMEMBASSY OSLO
AMEMBASSY PARIS
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USEEC

E.O. 11652: N/A
TAGS: ELAB, SP
SUBJECT: SPANISH LABOR REJECTS "SOCIAL PACT" CONCEPT

1. SPEAKING AT A JULY 6 MANAGEMENT FORUM, SPOKESMEN FOR THE SOCIALIST UGT, COMMUNIST WORKERS' COMMISSION (SWC), AND CHRISTIAN SOCIALIST USO, WERE UNANIMOUS IN ONCE AGAIN REJECTING A SO-CALLED "SOCIAL PACT" WHICH THEY INTERPRETED AS A "BOURGEOIS MANEUVER" TO PLACE THE MAJOR BURDEN OF THE CURRENT ECONOMIC CRISIS ON THE WORKING CLASS. HOWEVER, TO BALANCE IT OFF, THE TRADE UNIONS LOOKED FAVORABLY ON POSSIBLE NEGOTIATIONS WITH GOVT AND MANAGEMENT.

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2. ELABORATING TO THE PRESS ON JULY 7, UGT SEC GEN NICOLAS REDONDO (NOW ALSO POSE DEPUTY FROM VIZCAYA) STATED THAT THE SOCIAL PACT CONCEPT IN SPAIN IS UNVIALBE AND "THE UGT WILL NEVER ACCEPT IT". AT MOST, HE CONTINUED, THE UGT WOULD ACCEPT A GENERAL AGREEMENT WITH MANAGEMENT "BUT NEVER WITH THE CHARACTERISTICS OF A SOCIAL PACT".

3. WHEN QUESTIONED ABOUT THEIR CURRENT MEMBERSHIP DURING THE JULY 6 FORUM, (A) WORKERS' COMMISSIONS CLAIMED 600,000 WITH 4,000 JOINING DAILY; (B) UGT SPOKE OF ROUGHLY HALF A MILLION, AND (C) USO SAID 200,000. THE UNIONS PINPOINTED UNEMPLOYMENT AS THEIR KEY CONCERN, CALLED FOR PLANT COMMITTEE ELECTIONS THIS FALL, AND IDENTIFIED SOCIAL SECURITY AND FISCAL REFORM AS PRIME TARGETS IN ANY PROGRAM TO REDRESS THE SERIOUS ECONOMIC SITUATION.

4. EMPLOYERS LEADER AUGUSTIN RODRIGUEZ SAHAGUN STATED JULY 6 THAT MANAGEMENT WAS PREPARED TO ASSUME ITS SHARE OF THE NEEDED SACRIFICES. WHAT WAS NEEDED WAS A "SOCIAL CONSENSUS" AND IMMEDIATE NEGOTIATIONS BETWEEN THE DIVERSE SOCIAL FORCES TO REACH A BASIC ACCORD ON POLICY REGARDING PROFIT, EMPLOYMENT, PRODUCTIVITY, ETC.

5. COMMENT: BEHIND THE RHETORIC, SOME FINE DISTINCTIONS ARE BEING MADE. THE IDEA OF A FORMAL SOCIAL PACT A LA BRITISH APPARENTLY WON'T WASH WITH THE RAPIDLY EXPANDING NEW UNIONS AND THEIR AS YET SHAKY ORGANIZATIONS. FOR ONE THING, THEY PROBABLY WOULD NOT HAVE THE DISCIPLINE TO MAKE IT STICK. HOWEVER, THE WAY DOES SEEM OPEN FOR HIGH-LEVEL POLITICAL NEGOTIATIONS WITH THE GOVT, AND POSSIBLE PARTIAL AGREEMENTS OR "UNDERSTANDINGS". RESPECTED POLITICAL COLUMNIST LUIS APOSTUA, COMMENTING (YA, JULY 8) ON THE ECONOMIC SITUATION AS THE MOST DANGEROUS CRISIS FACING LIMITED OFFICIAL USE

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THE NEW GOVT, STATES HIS BELIEF THAT THE TRADE UNIONS WILL HELP TO STABILIZE SPANISH DEMOCRACY. HE REASONS THAT LABOR PAID TOO STIFF A PRICE UNDER THE FRANCO REGIME TO HAVE ANY "REVOLUTIONARY TEMPTATIONS".

6. WITH REGARD TO UNION STRENGTH, THERE IS LITTLE DOUBT IT IS INCREASING RAPIDLY, ALTHOUGH THE CLAIMS REPORTED ABOVE APPEAR INFLATED. PRIVATELY SOCIALIST SOURCES HAVE TOLD US THAT PSOE'S ELECTION SUCCESS HAS PRODUCED A GREAT SURGE IN UGT MEMBERSHIP ROLLS, AND THAT THE UGT MAY HAVE NOW IN FACT OUTSTRIPPED THE COMMUNISTS. STABLER

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Sent Date: 08-Jul-1977 12:00:00 am
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Disposition Case Number: n/a
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Disposition Date: 22 May 2009
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